

## TRANSPORTATION PERFORMANCE AUDIT BOARD

Telephone Conference Call  
Thursday, July 21, 2005  
1:30 p.m. – 2:30 p.m.

### - Minutes -

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The meeting was called to order by Chair Doug Hurley at approximately 1:35 p.m. Members present were: Forner, Haugen, Hurley, Long, Ostrowski, Perteet, Wallace and Woods.

#### 1. Report of the Chair

- a. Report on meeting with new Transportation Commission Chair and new Commission Administrator  
Chair Hurley stated that he; Dalene Sprick, TPAB Administrator; Dan O'Neal, Transportation Commission Chair; and Reema Griffith, Commission Administrator had a very constructive conversation, of which the details will be presented at the August 5 TPAB meeting.
- b. Report on meeting with Linda Long of State Auditor's Office on coordinating work plans – Chair Hurley stated that he, Ms. Sprick and Linda Long of the State Auditor's Office met regarding TPAB's coordination with the State Auditor's Office. He indicated the meeting went very well and that he is very optimistic about the working relationship that can be achieved. Details of this meeting will be presented at the August 5 TPAB meeting.
- c. Introduction of actions needed to bring TPAB immediate work plan, contracts and bylaws in line with changes in TPAB's institutional structure and legislatively mandated studies – Chair Hurley gave a brief overview of today's agenda items and actions that need to occur in order to move forward with TPAB's work plan. He noted that eight voting members must be present in order to adopt changes that will be put forth during this telephone conference. Eight voting members were present.

Senator Haugen expressed the importance of updating TPAB's bylaws and suggested having someone work on that. She also encouraged Chair Hurley to continue his chairmanship in order to maintain continuity. Chair Hurley stated that Ms. Sprick and TPAB's lawyer have been reviewing the bylaws and will be suggesting two sets of changes. The first, which will be addressed today, are items that need to be updated in order to proceed with work. The second set, which will be addressed at the August 5 meeting, will include the issue of chairmanship.

#### 2. Discussion and approval of changes to contract agreements with JLARC to execute adopted TPAB work plan.

Dalene Sprick, TPAB staff, explained that TPAB currently has two interagency agreements with JLARC.

- a) Audit of the Hood Canal Bridge Graving Dock.  
The proposed amendment accomplishes four things: 1) it changes the references to the Legislative Transportation Committee (LTC) to the Transportation Performance Audit Board (TPAB), 2) it makes the TPAB Administrator the Contract Administrator for the contract, rather than the LTC Administrator or Diane Schwickerath (who served as the contract administrator for a period of time), 3) it adjusts the lead person from JLARC from Keenan Konopaski to Valerie Whitener, and 4) it provides written authorization from TPAB to JLARC to continue to provide services beyond the end of the fiscal biennium.

**Member comments:**

- Elmira Forner asked if this review was laid out in the legislative mandate. Ms. Sprick indicated that this review was not a legislative mandate, but that during session, there was discussion by members and it was requested and decided that the board would engage in this work.
- Representative Woods asked for clarification on who is actually doing the performance audit. Chair Hurley stated that JLARC has contracted out this review, but that TPAB does have an interagency agreement with JLARC to execute the contract.
- Rich Perteet asked if it is required to name names on the contracts and suggested using titles. This could eliminate the need to go through this process every time someone leaves. Chair Hurley stated that in the case of this audit, staff is stable so becomes a moot point.

John Ostrowski moved adoption of the amendment and Senator Haugen seconded. Motion passed (8-0-2).

b) Business Process Reviews of Accountability Oversight mechanisms for WSDOT and Environmental Permitting for Transportation Projects.

Dalene Sprick reviewed the changes to the amendment: 1) it allows the TPAB to become the successor agency, 2) it places Ms. Sprick as the contract administrator of the contract, and 3) give the authorization for JLARC to continue working on these projects beyond the end of the biennium.

Ms. Sprick stated that the board members received a presentation of the preliminary report on the Accountability study at the last TPAB meeting, and the intention is for the board to approve the recommendations at its August 5 meeting. She also noted that members will hear the preliminary report of the Environmental Permitting study at that meeting as well.

John Ostrowski moved adoption of the amendment and Linda Long seconded. Motion passed (8-0-2).

**3. Discussion and approval of authorization to Chair and Administrator to engage in work mandated by the Legislature.**

- a) Authorize and delegate responsibility to the Chair and Administrator to obtain assistance in order to write scope and objectives for the following two studies:
- Goals & Benchmarks & 10-year investment Criteria and Process Study; and
  - WSDOT Recurring Capital Results Assessment & Performance Measures for the TPA

Chair Hurley stated that during session the Legislature requested that TPAB take up certain subjects as part of its work plan for the coming year. They also requested that TPAB bring the results of that work back to them by December or January. What agenda item 3a does is allow Dalene Sprick to obtain assistance in order to write the scope and objectives for the studies noted above.

Chair Hurley also added the phrase "up to a certain dollar amount" in 3a (as in 3b), in order to allow Ms. Sprick to obtain assistance to complete these scopes. An amount of \$15,000 was slated for each, however, he did state that in neither case would they expect it to get that high.

**Member comments:**

- Elmira Forner asked where assistance could be obtained. Chair Hurley explained that the state has a roster of consultants that are available and also that Ms. Sprick is looking into sole sourcing options because the contracts would be under \$20,000.
- Rich Perteet expressed his support.
- Senator Haugen expressed her support.
- Representative Wallace expressed her support.
- Representative Woods expressed support.

John Ostrowski moved adoption of Agenda Item 3a as amended (authorizing \$15,000 for each project) and Representative Woods seconded. Motion passed (8-0-2).

- b) Authorize the Chair and Administrator to obtain assistance to investigate potential audit topics for the Board (up to a certain dollar amount).  
Chair Hurley reminded members that at the last meeting there was a discussion regarding the monorail and that he offered to have staff research other reviews, etc. that were going on with the project. Because of staff workload and the short timeframe to accomplish this request (by August 5), it is being put before the board for adoption to obtain assistance with a dollar amount up to \$15,000.

**Member comments:**

- Representative Wallace expressed her desire to move forward in obtaining this information.
- Representative Woods asked if the decision could be pushed out to the September TPAB meeting. Chair Hurley stated that this information will be needed if the board wants to have a monorail discussion at the August meeting, however, the board can agree to postpone until September.
- Representative Wallace believes this request for information will be nowhere near the \$15,000 and to go forward would be worthwhile. She would like to have the information sooner than later.
- Elmira Forner asked if an audit is imminent regardless of what decisions are made. Chair Hurley stated that this is not a given, but the discussion at the last meeting was to gather information so the board could make a decision on whether or not to audit this project. Staffing workloads has made this information gathering difficult.
- John Ostrowski indicated that he does not see the urgency in this, but has suggested that the board authorize this request, so this aspect will not need to be discussed again.
- Chair Hurley stated that he talked to Linda Long of the State Auditor's Office and to her financial auditor and expressed the sheer complexity of understanding what they are auditing, what the city is reviewing, when the city's reviewing it and the substance of the monorail.
- Senator Haugen clarified that the State Auditor's Office does financial audits and the TPAB's job is to do performance audits. She stated that part of TPAB's mission is to review what has been done and to determine whether the board wants to do an audit or not. She stated that TPAB does have a responsibility to review what is going on.
- Representative Woods requested that the board work hard to keep this project well under \$15,000.

John Ostrowski moved adoption of Agenda Item 3b as amended (authorizing \$15,000 for the project) and Senator Haugen seconded. Motion passed (8-0-2).

#### **4. Discussion and approval of changes to bylaws needed to execute board approved actions.**

Chair Hurley explained that the proposed bylaw changes are needed to execute the actions that were just approved in Agenda Items 2 and 3. Dalene Sprick explained each of the proposed changes to the bylaws listed below:

- Rule 1 – add language noting bylaws amended on this date and remove reference to C362 L03.
- Rule 14 – Payment of Expenses – sub a. amend to allow Chair or the Administrator to approve and authorize payment of expenses associated with Board meetings. (Remove references to the LTC Accounting Coordinator.)
- Rule 14 – Payment of Expenses – sub. b. amend to authorize the Chair or the Administrator to approve and authorize expenditures identified in the approved TPAB budget or expenditures made pursuant to the terms of contracts approved by the Board. (Remove reference to the LTC.)
- Authorize the Chair & the Administrator to act on behalf of the Board if so directed by the Board. (This item becomes a new Rule).
- Authorize the Chair & the Administrator to engage in those activities necessary to complete the duties delegated to them by the Board and to implement the budget as adopted by the Board, with the Board retaining the responsibility to review and approve contracts unless such responsibility is specifically delegated by the Board to the Chair or the Administrator. (This item becomes a new Rule).
- Rule 15 – Equipment – replace the LTC with the Transportation Commission.
- Rule 17 – Staff Costs – replace authorized by the “LTC Coordinator” with the “TPAB Administrator” and strike “or legislative staff acting as Coordinator, and paid by LTC pursuant to C362 L03.”

#### **Member comments:**

- Representative Woods expressed concern with the changes to Rule 15, indicating that the LTC has been replaced by the JTC, and that this change could imply that equipment purchased by the LTC would go to the Transportation Commission.
- Reema Griffith, Commission Administrator, was in attendance and explained that she and Diane Schwickerath, JTC staff, had a brief conversation on this topic. She wanted to make certain that members were comfortable that the Commission in no way intends to take any equipment purchased by the LTC. The final decision will depend on what accommodations and offices are found for the JTC and based on need. She emphasized that knowing LTC bought everything, except TPAB’s latest purchase of a computer and printer, the assumption would be that everything else would transfer to JTC.
- Senator Haugen and Representative Woods both expressed their agreement with this interpretation.

John Ostrowski moved a motion to approve the amendments, establishing new Rules 18 and 19, and renumbering Rule 18 as Rule 20 and Linda Long seconded. Motion passed (8-0-2).

Senator Haugen again expressed her desire that Chair Hurley continue his chairmanship in order to maintain continuity and that the bylaws Rule 10 be amended. She suggested keeping the language in Rule 10 dealing with the Chair open so the board can make decisions on chairmanship rather than it being automatic. The other board members were in agreement.

The meeting was adjourned at 2:20 p.m.